



DOING BUSINESS

with  
the



ARIZONA  
DEPARTMENT OF  
ECONOMIC  
SECURITY





## Mission Statement

*The mission of  
the Office of Procurement and  
Administrative Counsel  
is to provide effective legal  
counsel and procurement of  
quality goods and services  
for our customers.*

*Procurement services will be  
provided by highly trained staff  
through the least restrictive  
system possible for the  
benefit of the Department  
and its customers.*

## ABOUT THIS GUIDE

The information contained in this book serves as a general guide on how to do business with the Arizona Department of Economic Security (ADES) and its Office of Procurement. The Contracts Management Section and Purchasing Section have the responsibility to acquire goods and services for the Department's programs and support divisions. We understand that the information contained within may not answer all of your questions. Therefore, we encourage you to telephone or visit us at:

### **Purchasing Section**

**Site Code 810Z-7**

**1789 W. Jefferson, 4th Flr SC**

**Phoenix, AZ 85007**

**Telephone: (602) 364-0170**

**Fax: (602) 542-4496**

### **Contracts Management Section**

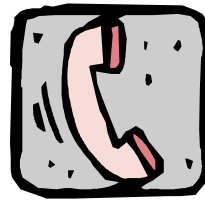
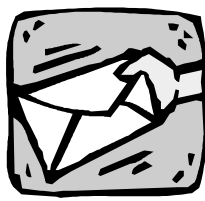
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# **THE PURCHASING SECTION**

## **Mission**

The mission of the Purchasing Section is to provide our customers responsive procurements through effective communication and agreed-upon common goals and objectives by a professional, productive staff.

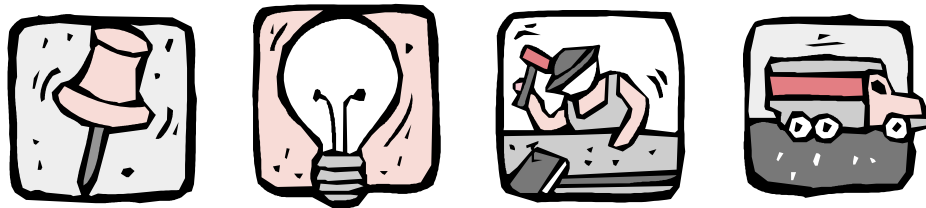
## **Responsibilities**

The Purchasing Section is responsible for the procurement of all goods, services and construction projects for the Department. This includes the processing of purchase requisitions and the administration of annual term contracts (i.e., equipment maintenance, security guard services and courier services). This section provides technical assistance in purchasing, obtaining bids or quotations and vendor selection. Purchasing also assists field offices with on-line system questions and problems, incorporates the on-line system to input and track requisitions and purchase orders, and monitors vendor deliveries and performance.

The ADES Purchasing Section is a decentralized unit that is responsible for procuring goods and services relating the business operations of the department. Those responsibilities include:

- Establishing purchasing procedures for the procurement of goods and services within the ADES.
- Ensuring all purchases comply with the rules and regulations set forth in the Arizona Procurement Code.

- Ensuring all vendors meet the U.S. Department of Labor (DOL) and State of Arizona standards relating to nondiscrimination and eligibility as it pertains to debarment, suspension, proposal of debarment, declaration of ineligibility or voluntary exclusion from participation in any procurement.
- Ensuring utilization of State contracts as mandated by the Arizona Procurement Code for any/all goods and services provided in those contracts.
- Developing ADES contracts for goods, services and construction projects not covered by State contracts exceeding an annual aggregated amount of \$35,000, and ensuring proper utilization of these contracts.
- Purchasing all goods, services and construction projects delegated by the Arizona Department of Administration (ADOA) to ADES.
- Maintaining the official records relating to these purchases to provide adequate, auditable documentation.
- Coordinating all activities necessary between the State Purchasing Office (SPO) and the ADES Purchasing Section.
- Providing technical assistance/training as requested by various divisions and administrations within ADES.



# **CONTRACTS MANAGEMENT SECTION**

## **Mission**

The mission of the Contracts Management Section is to provide effective management of human service contracts and related procurement activities through teamwork, quality administration, customer assistance and technical support.

## **Responsibilities**

The Contracts Management Section (CMS) is responsible for overseeing and coordinating all aspects of social service procurement activities for the Department. CMS interfaces with the divisions, administrations and Governor's councils to ensure appropriate, consistent application of procurement practices, standards, policies, procedures and laws. CMS develops boilerplates, performs research, and provides advice, technical assistance and training to the Department's procurement staff. In addition, CMS administers procurement in support of some of the Department's business functions.

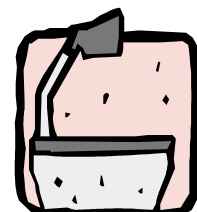
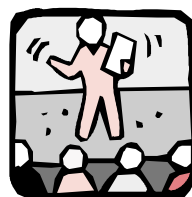
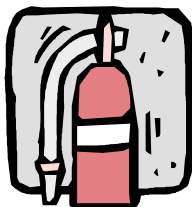
The Department's procurement functions are decentralized for client-related services. CMS functions as policy and procurement standards development unit, while the divisions have the responsibility of interfacing with contractors.

The Contracts Management Section has the responsibility to:

- Research, develop and implement uniform Department contract policies and procedures.
- Develop, issue and maintain standardized contract documents for the purchase of services. This includes

working together with the ADES contracting units in the development of contract terms and conditions.

- Develop, issue and maintain boilerplate Requests for Proposals (RFPs) and boilerplate contract documents for the purchase of services.
- Develop standard guidelines, policies and procedures relative to the purchase of human services to ensure compliance with the Arizona Procurement Code (A.R.S. § 41-2501 *et seq.*, and administrative rules and regulations, A.A.C. R2-7-101 *et seq.*).
- Provide technical assistance and training to appropriate Department personnel relative to contract management policies, procedures, standards and systems.
- Review and approve all Department contracts and related forms to ensure compliance with applicable laws, rules and regulations.
- Review grant applications for compliance with competitive procurement requirements.
- Coordinate review by the Office of the Attorney General and the Secretary of State relative to intergovernmental agreements (IGAs) between the Department and public agencies, in accordance with A.R.S. § 11-952.



- Review and analyze proposed and final federal and state laws, rules and regulations, as applicable, to determine the effect on contract operations and ensure compliance, and when necessary to propose legislation on contract related issues.
- Serve as a repository for DES human services contract files (except for contracts for which procurement authority has been delegated in writing to other DES divisions), and upon request provide copies to the public.
- Research and respond to procurement-related protests and any subsequent appeals.



## **MASTER BIDDERS LIST**

The Arizona Department of Economic Security does not maintain its own bidders list. The Department, like other state agencies, is required by law to utilize the master list maintained by the Arizona Department of Administration State Procurement Office (SPO).

The SPO maintains a computerized list of prospective bidders who are interested in doing business with the State of Arizona.



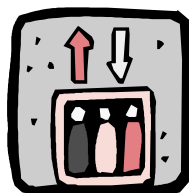
The bidders list is compiled from those companies who have registered with the SPO. To obtain a vendor registration packet or for more information, please call (602) 542-5511, or visit the SPO website at **sporas@ad.state.az.us**. The SPO office is located at 15 S. 15<sup>th</sup> Avenue, Suite 103, Phoenix, AZ, 85007.

The ADES Purchasing Section posts all of its current solicitations in the lobby of the Purchasing office. The buyers will be happy to provide a copy of their solicitations to any vendor who specifically requests one.

## **INTRODUCING YOUR PRODUCT TO DES**

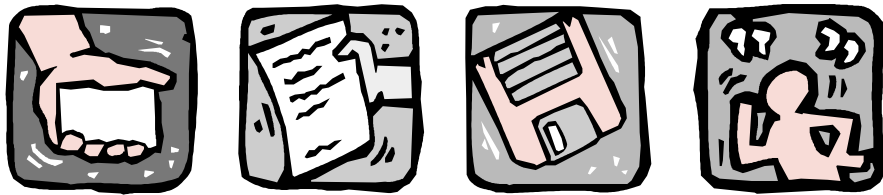
If you believe that the Department may have a need for your product or service, a staff person can review with you the Department's current or anticipated usage or how it will solicit competition for the desired product or service.

The ADES offices are open for business from 8:00 a.m. to 5:00 p.m., Monday through Friday, except state holidays. You may visit any time during business hours. However, it is recommended that you make an appointment to ensure that the appropriate staff assigned to your specific commodity is prepared for your visit.



## TYPES OF CONTRACTS

The ADES Procurement Office normally contracts on a term contract basis, when possible. Due to the wide diversity of the ADES, its purchases a variety of goods and services for its business and social service-related needs. The Department's contracts range anywhere from printing to janitorial and security services to respite and shelter services. These are only a few examples of the types of contracts the Department utilizes.



## AZFACTS

AZFACTS is a fax-retrieval system designed to provide up-to-date information regarding bidding activities with state agencies. AZFACTS is used for competitive solicitations on commodities and services when the cost is expected to range from \$10,000 to \$35,000.

AZFACTS can provide you bidding opportunities 24 hours a day, 7 days a week. From a push-button telephone, call the AZFACTS System at (602) 542-2050. For users outside the Phoenix area, the state provides a toll-free number 1-800-873-6429.

## **PROCUREMENT METHODS**

The Department purchases goods and services from businesses through verbal and written quotations, Invitations for Bids, and Requests for Proposals, depending on the dollar amount. The Department is mandated by the state to adhere to the Arizona Procurement Code for all its procurement-related activities.

Pursuant to guidelines set forth by the Arizona Procurement Code, informal procedures may be used to purchase goods and services estimated to cost \$35,000 or less.

For those procurements estimated to be less than \$25,000, the Department will utilize small businesses, when practical. Following are the procurement requirements for goods and services:

**A. Verbal Quotes (\$1,000 to \$5,000)**

The buyers will notify several vendors of whom they know can provide the desired good or service. The buyer will notify the company by telephone and request a verbal quote.

**B. Written Quotes (\$5,000 to \$10,000)**

The buyers will notify several vendors of whom they know can provide the desired good or service. The buyer notifies the company by fax or by mail that a product or service will be purchased and invites the vendor to submit a written quote, either by mail or by fax, within a specific timeframe.

**C. Fax on Demand (AZFACTS) (\$10,000 to \$35,000)**

The buyers will submit a Request for Quotes via the AZFACTS system. All potential bidders are responsible for downloading the document and responding to the Department within the prescribed timeframes. The Request for Quote shall remain on AZFACTS for a period not less than eleven (11) days, when practical.

**D. Formal Procurement (over \$35,000)**

The formal procurement process utilizes Invitations for Bids (IFB) and Request for Proposals (RFP) to purchase goods and services that are anticipated to cost more than \$35,000. When either of these procedures are used, all registered vendors on the SPO's master bidders list that can provide the needed commodity or service are notified, by mail, of the intended purchase and upcoming solicitation.

## **SUBMITTING A BID OR PROPOSAL**

It is the responsibility of the bidder to make sure that the ADES Purchasing Section receives the bid or proposal at the stated location before the time and date specified. Bids or proposals may be withdrawn or modified before the date and time of the opening.

Late bids or proposals will not be accepted after 3:00 p.m., Mountain Standard Time. Late submittals will be rejected, without regard for the degree of lateness or the reason, including causes beyond the control of the bidder.

## BID/PROPOSAL OPENINGS AND AWARDS

### A. Invitation for Bids (IFB)

At bid openings, the offeror's name and the bid line amount are read aloud and recorded on a bid abstract. Under the IFB process, the ADES must award bids to the lowest responsible and responsive bidder whose bid meets the requirements and evaluation criteria set forth in the IFB. The bid abstract shall be made available for public inspection.

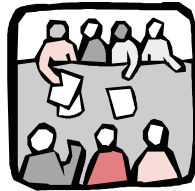
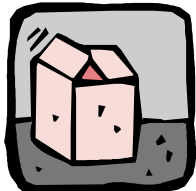
### B. Request for Proposals (RFP)

At proposal openings, only the name of the offeror who submitted an RFP is read aloud. The award is based on whose proposal is determined to be the most advantageous to the state, taking into consideration the evaluation criteria stated in the Request for Proposals.

After the bid or proposal opening has been held, the solicitation shall be considered to be under evaluation. Until the contract has been awarded, the contract file is not open for public inspection.

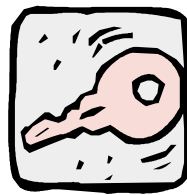
## INVOICES AND PAYMENTS

Remit all invoices to the "bill to" address on the purchase order. All invoices submitted to ADES must reference your



purchase order. Discrepancies between invoices and the purchase order can cause delays in payment to you.

If the invoice you submit is complete and provides the information that the contract requires, the invoice will be paid in thirty (30) days, or less.



## HOW YOU CAN HELP US

Always insist on receiving a purchase order number or a formal notice to proceed *prior* to rendering services. Do not provide goods or services to the ADES offices without first receiving written notification from the Department. The purchase order or award notification is the only authorization from the Department to proceed, and it is the only document that encumbers funds to make payments.

Familiarize yourself with our processes and procedures. Make an appointment with the appropriate staff who handles your product line or service; they need to know who you are and your type of business.

Provide us with the latest catalogs and price lists, as well as any changes of addresses or phone numbers.

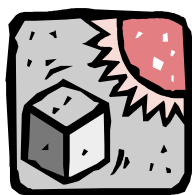
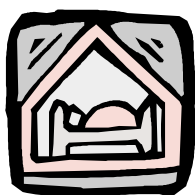
Keep us informed of back order or shortage situations, changes or improvements in technology and any other pertinent information.

## HOW WE CAN HELP YOU

We try to maximize competition to the best of our ability. On smaller purchases, this may mean contacting only two or three vendors. Make sure to stay in contact with the appropriate buyer to express your continued interest.

The Office of Procurement and Administrative Counsel makes it our responsibility to explain the policies and procedures under which the Department must operate. We can guide you through the Department's procurement process, so that you have a better understanding of what the state is doing and why.

We look forward to receiving your quote, bid, or proposal and learning more about the products and services your firm can provide.



## GRATUITIES/CONFLICTS OF INTEREST

State employees are prohibited from accepting gifts, meals, trips or anything of value from a vendor, even though the intent of such a gesture may be honorable or a customary practice. All state employees and its vendors, including their officers, employees and representatives, are subject to the appropriate civil and criminal state and federal statutes related to conflict of interest, bribery, and similar offenses.

Equal Opportunity Employer/Program  
This document available in alternative formats by contacting (602) 364-0170.



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